

Medical Marijuana FAQ's

How many medical marijuana dispensaries are allowed in the City of Long Beach?

A maximum of 32 medical marijuana dispensaries and a minimum of 26 marijuana dispensaries can operate in the City of Long Beach.

How many non-dispensary medical marijuana businesses are allowed in the City of Long Beach (cultivation, distribution, manufacturing, testing)?

Currently, there is no limit to the number of non-dispensary medical marijuana licenses that can be issued. However, location restrictions and buffer zones under Chapter 5.90 of the Long Beach Municipal Code do limit the areas where such businesses may operate.

What kind of medical marijuana licenses are issued by the City of Long Beach?

Long Beach issues licenses for:

- ☐ Medical Marijuana Stores (Dispensaries)
- ☐ Medical Marijuana Products Manufacturing Facilities
- ☐ Medical Marijuana Cultivation Facilities
- ☐ Medical Marijuana Laboratory Testing Facilities
- ☐ Medical Marijuana Distribution Facilities

Who is eligible to apply for a medical marijuana business license?

In Long Beach, any individual or entity is eligible to apply for a medical marijuana business license. However, no license or permit shall be issued to, and no medical marijuana business may be managed or owned by, any person who:

- Was convicted within the previous ten (10) years of any violent or serious felony as specified in Sections 667.5 and 1192.7 of the Penal Code; or
- Has any felony conviction involving fraud, deceit or embezzlement or who is currently on parole or probation for the sale or distribution of a controlled substance; or
- Is under twenty-one (21) years of age; or
- Operates or manages a Medical Marijuana Business contrary to the provisions of LBMC Chapter 5.90, or conditions imposed on land use or license approvals, or contrary to the terms of the plans submitted with the permit application, or amended as permitted by Chapter 5.90; or
- Is a licensed physician making patient recommendations; or
- A person licensed and permitted to operate pursuant to Chapter 5.90 who, while lawfully operating, or who, at the time of application, has failed to remedy an outstanding delinquency for City taxes or fees owed, or an outstanding delinquent judgment owed to the City; or
- A sheriff, deputy, police officer, or prosecuting officer, or an officer or employee of the State or City of Long Beach; or
- Applicants or entities (including management Employees) that have a previous record of violating federal or state laws relating to workplace safety, wages and compensation, employee discrimination, or union activity.

How do I know if I am Priority Group 1 or Priority Group 2?

The City will review applications, determine priority status, and provide priority applicants formal written notification of their priority status. Generally speaking, the following criteria must be met for an applicant to be considered part of a priority group:

- Priority Group 1:
 - City of Long Beach September 2010 Lottery winner
 - Allowed by City Council to operate after February 14, 2012
 - Has the same location that operated under Chapter 5.87
- Priority Group 2:
 - City of Long Beach September 2010 Lottery winner
 - Allowed by City Council to operate after February 14, 2012
 - Does not have the same location that operated under Chapter 5.87

In order to receive priority status, the applicant must be the same legal entity or individual that was operating under LBMC 5.87.

Can a priority applicant apply for multiple dispensary locations?

Yes. Priority applicants can apply for multiple dispensary locations. However, a Priority Group 1 applicant will only receive priority status for the prior location under LBMC Chapter 5.87 that meets all other location requirements. A Priority Group 2 applicant that would like to apply for multiple locations may choose which location shall be considered priority, so long as the selected location meets the restrictions in LBMC Chapter 5.90. Priority is related both to the applicant and to the location - not just the applicant.

How much is the application fee?

The application fees due upon submission of the business license application are:

• Development Services Review Fee	\$22.45
• Zoning Review Fee	\$33.00
• Fire Department Review Fee	\$170.00
• <u>ADA State Mandated Fee</u>	<u>\$1.00</u>
Total	\$226.45

Live Scan fees will be charged by the Police Department at the time of the Live Scan appointment.

When is the application period for medical marijuana dispensary licenses?

- Priority Group 1 and Priority Group 2 application period: January 23, 2017, to July 24, 2017.
- Non-Priority application period: January 23, 2017, to February 22, 2017.

Hours for acceptance of applications will be announced on the webpage at least one week in advance of the start of the application periods.

Where can I submit my application for a medical marijuana dispensary license?

Applications for a medical marijuana dispensary business license must be submitted in person to the Business Services Division in Long Beach City Hall, 7th Floor, 333 W Ocean Blvd, Long Beach, CA 90802.

When and where can I submit my application for a medical marijuana cultivation license?

Currently, we are not accepting applications for non-dispensary marijuana business types, including cultivation. The application period for cultivation licenses is to be determined.

When and where can I submit my application for other medical marijuana business types?

Currently, we are not accepting applications for non-dispensary marijuana business types. The application period for other marijuana business licenses is to be determined.

What is the application process for medical marijuana dispensaries?

Applicants must submit a completed application to the Business License Division during the application period. Applications will be reviewed for completeness, the location will be assessed for buffer zones, and the application will be reviewed for priority status. Priority applicants who have complete applications and compliant locations are able to move on to the Department Review process (permits, inspections, etc). Non-Priority applicants who have complete applications and compliant locations will be evaluated under the Priority Point System. Those with the highest points will be eligible to move on in the application process. If applicants have the same amount of points, a Public Lottery may have to be conducted to determine who can move on in the application process. Once applicants are approved during the Department Review process, they will be awarded the available business license.

How long does the application process take?

The time it takes to process the application depends largely on the timeliness of the applicant in submitting all documentation and responding to inspecting departments. The time it takes to go through the process largely depends on the applicant's responsiveness to City departments and the complexity and scope of the location's changes ("the project").

The Department Review process (inspections, permits, etc) can often take the longest time to complete depending on the project. In order to ensure your application is processed as quickly as possible, make sure you are aware of all the requirements needed for your project and have a full and complete set of plans for staff to review.

Do I need authorization from the property owner to start a medical marijuana business?

Yes. You will need written authorization from the property owner stating that he/she allows you to operate a licensed medical marijuana business on the property.

How are inspections conducted?

Applicants will be contacted by the following inspecting departments to schedule and complete inspections prior to issuance of the license:

- ☐ Fire Department
- ☐ Health and Human Services

- ☐ Development Services - Zoning Department
- ☐ Development Services - Building Department

Any construction (e.g., new walls, electrical circuits, grow lights, commercial kitchen appliances, mechanical work, etc.) requires construction permits. All construction permits are required to be finalized and you must receive a Certificate of Occupancy or final approval prior to issuance of a business license. Before submitting an application for licensing or occupying a building, you must obtain a zoning permit for use from Development Service's zoning permit counter and ensure that the proposed location is in full compliance with spacing and zoning requirements.

What is the tax for medical marijuana business types?

- a. Dispensary or Delivery: 6% of gross receipts
(may be increased to a maximum of 8% of gross receipts by vote of the City Council)
- b. Distribution, Transportation, Manufacturing, Testing: 6% of gross receipts
(may be increased to a maximum of 8% of gross receipts by vote of the City Council)
- c. Cultivation: \$12.00 per square foot
(may be increased to a maximum of \$15.00 per square foot by vote of the City Council)
- d. All marijuana businesses shall pay a minimum tax of one thousand dollars (\$1,000.00) annually.

When are taxes due to the City of Long Beach?

Taxes shall begin to accrue on the date that a person or entity first receives a business license or other permit to operate as a Medical Marijuana Business or Cultivation Site.

Payments for medical marijuana businesses that are taxed using gross receipts are due on a quarterly basis once the business license is issued and every quarter thereafter.

Square footage payments shall be made annually at the beginning of the calendar year and should be based on the square footage that the marijuana business is authorized to cultivate by either a City permit or license.

How do I pay my taxes?

Payments will only be accepted at City Hall at the Cashier on the Lobby Level. Payments must be made in **cash only**. No checks will be accepted.

What happens if I don't pay my taxes on time?

Any business that fails to pay taxes within 30 days of the due date shall pay, in addition to the taxes, a penalty equal to twenty-five percent (25%) of the total amount due. Ten percent (10%) shall be added on the first day of each calendar month following the month of the initial twenty-five percent (25%) penalty if the tax remains unpaid up to one hundred percent (100%) of the tax payable on the due date. Postmarks will not be accepted as adequate proof of a timely payment.

Are medical marijuana business licenses transferable?

Yes. Medical Marijuana Business Licenses are transferable with prior approval of the City. Any change of ownership greater than 10 percent (10%) shall require notice to the City at least 30 days prior to the change and must submit a new business license application.

Recreational Marijuana

Does Long Beach have any laws about recreational marijuana?

No. Currently, the City of Long Beach does not have any local laws regarding recreational marijuana. The Control, Regulate and Tax Adult Use of Marijuana Act (AUMA), which addresses recreational marijuana usage, possession, and cultivation, as well as eventual recreational marijuana businesses, passed in the State of California.

Can I open a recreational marijuana business in the City of Long Beach?

No. In order to operate legally as a recreational (non-medical) marijuana business within the City of Long Beach, you must first obtain a State license. It is anticipated that State licenses will be issued beginning on or before January 1, 2018. Further, the City's current zoning code does not allow for this type of use.

Can I legally grow marijuana at home?

AUMA states adult residents 21 years and older can grow up to 6 living marijuana plants per person within a residence for personal use. No more than 12 total plants are allowed per residence regardless of the number of adults living there. Marijuana plants must be kept in an enclosed, locked area.

Take extra precautions to ensure that only authorized adults have access to the marijuana plants. You must be 21 and older to have or use marijuana. Children and pets should be kept away from plants at all times.

For more information visit <http://www.bmcr.ca.gov/>

Can I sell home-grown marijuana to others?

Home grown marijuana, no matter the form, may not be sold to others.

Take extra precautions to ensure that only authorized adults have access to marijuana plants. You must be 21 and older to have or use marijuana. Children and pets should be kept away from plants at all times.

Can I give away home-grown marijuana to others?

AUMA states a person 21 years of age or older may give away to persons 21 years of age or older not more than 28.5 grams of marijuana in the non-concentrated form and not more than 8 grams of marijuana in a concentrated form, including marijuana products. You cannot receive any form of compensation for giving away marijuana.